

ROZ FREQUENTLY ASKED QUESTIONS

General ROZ Programs FAQs

Student Loan Repayments Program – General FAQs

Student Loan Repayments Program – Approved Application FAQs

Student Loan Repayments Program – Approved Application “Wait list” FAQs

General ROZ Programs FAQs

What are Rural Opportunity Zones?

The law designates [77 counties](#) in Kansas as Rural Opportunity Zones (ROZ) with authorization to provide new residents a 100 percent **state income tax waiver** for up to five years and/or outstanding **student loan repayments** of up to \$3,000 annually over five years (\$15,000 maximum) if qualified.

To be eligible for **student loan repayments assistance**, individuals must have graduated from an accredited post-secondary institution and moved to a ROZ county on or after the county’s resolution date to participate in the student loan repayments program. The student loan repayment program is open to both Kansas and non-Kansas residents.

To be eligible for the **state income tax waiver**, individuals must have lived outside the state for at least the past five years prior to moving to a ROZ county and have Kansas source income of less than \$10,000 per year over the past five years.

What are the 77 ROZ counties?

Allen, Anderson, Barber, Bourbon, Brown, Chase, Chautauqua, Cherokee, Cheyenne, Clark, Clay, Cloud, Coffey, Comanche, Decatur, Doniphan, Edwards, Elk, Ellsworth, Gove, Graham, Grant, Gray, Greeley, Greenwood, Hamilton, Harper, Haskell, Hodgeman, Jackson, Jewell, Kearny, Kingman, Kiowa, Labette, Lane, Lincoln, Linn, Logan, Marion, Marshall, Meade, Mitchell, Montgomery, Morris, Morton, Nemaha, Neosho, Ness, Norton, Osborne, Ottawa, Pawnee, Phillips, Pratt, Rawlins, Republic, Rice, Rooks, Rush, Russell, Scott, Sheridan, Sherman, Smith, Stafford, Stanton, Stevens, Sumner, Trego, Thomas, Wabaunsee, Wallace, Washington, Wichita, Wilson and Woodson. Click [here](#) for map.

When did the ROZ law take effect?

The law took effect January 1, 2012. The student loan repayment program is a state and county partnership program that requires counties to provide funding to equally match the State’s repayment. Therefore, the county you move to may or may not participate in the student loan repayment program and individual participation may be limited to the county funding available.

Which counties have joined the student loan repayments program?

Please click [here](#) to view the counties that are currently providing funding to participate in the student loan repayments program. Please note that a participating county may have limited funding requiring you to be placed on a “wait list” for participation. An employer may [sponsor](#) you if the county’s funding is limited.

Is there a penalty for leaving a ROZ county before my participation ends?

Yes and no. If you are currently approved and receiving ROZ benefit and move outside your current ROZ county, you will no longer receive benefit. If you are currently approved, but are on a wait list, you may move to another ROZ county and be eligible to participate.

Do I need to live in the ROZ County for the entire tax year in order to receive the credit?

Yes, a qualified individual must live in the ROZ county for the entire taxable year to claim the credit.

Who can participate?

To qualify, an individual must submit an application for approval and satisfactorily document: 1) establishment of full-time residency in a ROZ county on or after the resolution date of that county authorizing the county’s participation in the student loan repayment program; 2) attainment of an associate’s, bachelor’s or post-graduate degree from an accredited institution; and 3) an outstanding student loan balance.

Which state agencies administer the programs?

The Department of Commerce manages the student loan repayments program. The Department of Revenue manages the state income tax waiver program. For information about the State income tax waiver program, please [click here](#) or contact Kathleen Smith at (785) 296-3081 or kathleen.smith@kdor.ks.gov.

Is there an application to participate in the ROZ student loan repayments program?

Yes. The application form to apply for the student loan repayments program is available [here](#).

If I have additional questions about the student loan repayments program, who should I contact?

Please contact Brett Sayre, Program Manager, at (785) 296-5418; brett.sayre@ks.gov or Karen Farrell at (785) 368-6643; karen.farrell@ks.gov.

Student Loan Repayments Program – General FAQs

Are there income guidelines to qualify for the student loan repayments program?

No, there are no income requirements.

I graduated from college before the program started on Jan. 1, 2012. Can I participate in the student loan repayments program?

Yes. To be eligible, you must be able to satisfactorily document that you: 1) graduated from an accredited post-secondary institution; 2) have outstanding student loans from the degree you earned; and 3) moved to a ROZ county after that county's resolution date to participate in the ROZ student loan repayments program.

How much will the program repay of my student loans?

The program will pay 20 percent of your outstanding student loans up to a maximum of \$3,000 per year (\$15,000 maximum benefit over five years). For example, if you have \$10,000 of outstanding student loans, the program will repay 20 percent of that balance per year (in this case, \$2,000). If you have \$70,000 in outstanding student loans, you're only eligible for the maximum benefit per year of \$3,000 if county funding is available or your employer has agreed to sponsorship.

Are the payments I receive from the program considered taxable income?

Yes, payments will be considered taxable income. For more information, consult IRS publication 970, "Tax Benefits for Education."

Do individuals in this program enter into a contract with the county or state regarding terms of residence?

No, but there is a formal application process to determine initial eligibility for approval to participate in the program and your information must be verified annually to continue receiving benefit.

Does becoming eligible for the program guarantee benefits?

No, eligibility and approval in the program does not guarantee benefits. The Kansas Legislature appropriated a set amount of funding for this program, and once that funding is distributed, future eligible applicants will be placed on a waiting list for potential additional funding. Additionally, many counties have limited funding for the program due to budgetary reasons. The student loan repayments program is a county and state

partnership, with each side contributing half of the participant's annual student loan repayment.

When should I expect to receive the first repayment on my student loan?

Repayments are processed annually after the state has received the county matching funds. Repayments are typically issued in November and December.

Will repayments be made directly to me or to my lender?

Repayments will be made directly to you to apply the full tuition payment to your lender.

If I move to a ROZ county but open a business or work in another county, am I eligible for the program?

Yes. Eligibility is based on where you live, not where you work or operate a business.

Can graduates of a university or college in Kansas participate in this program?

Yes. Anyone who graduated from an accredited post-secondary educational institution meeting requirements is eligible to participate in the student loan repayments program.

Does the student loan repayments program apply to loans taken out by parents as well as those taken out by individuals agreeing to move to the ROZ county?

Parents could be co-signers on the loan, but the student must have signed for the loan to qualify for the program.

Download the General ROZ Program Guidelines as a PDF [here](#).

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